

What a difference a year makes



The Federal Market Outlook for Schedule 03FAC

Date: February 28, 2012

Overview

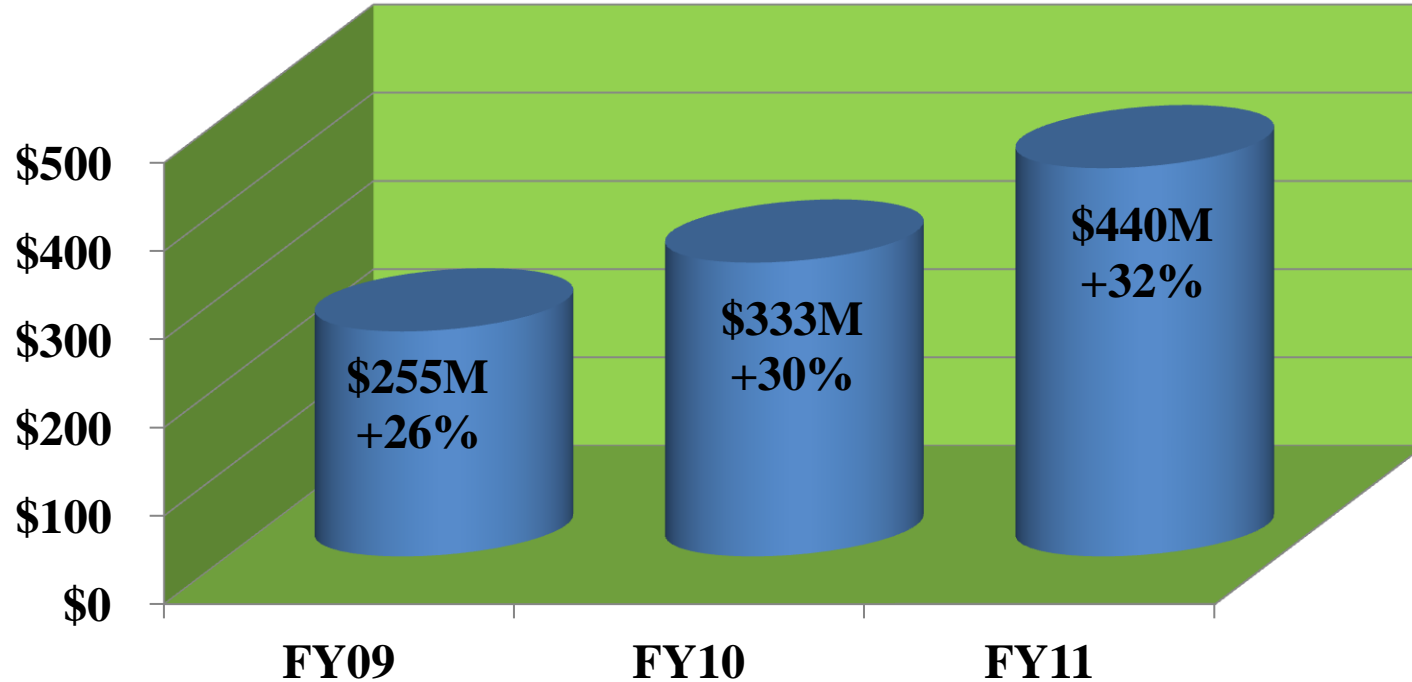
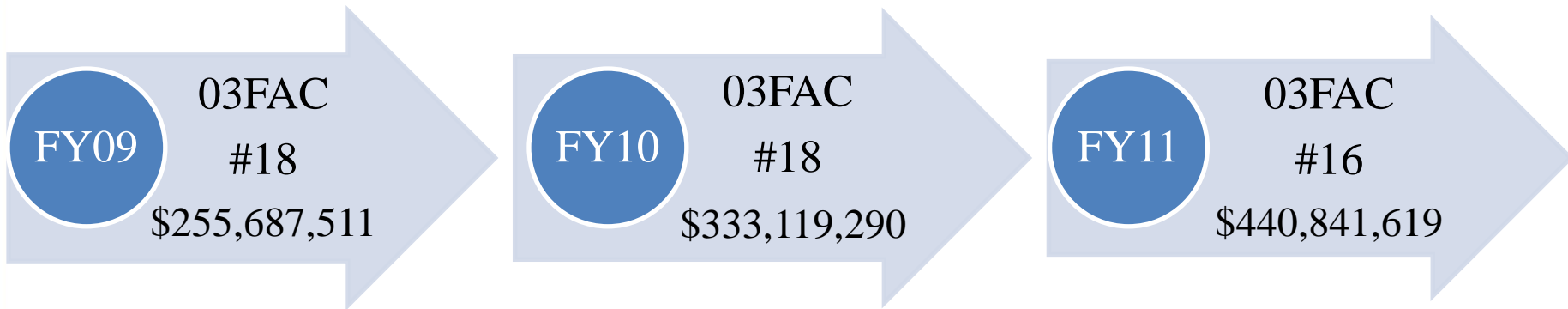
- ✔ 03FAC Market Snapshot
- ✔ 2012: Market Drivers
- ✔ 2011: 03FAC Market Conditions
- ✔ GSA's Sustainability and 03FAC
- ✔ Looking Ahead
- ✔ Upcoming 03FAC Market Opportunities

03 FAC - Market Snapshot



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Schedule Ranking

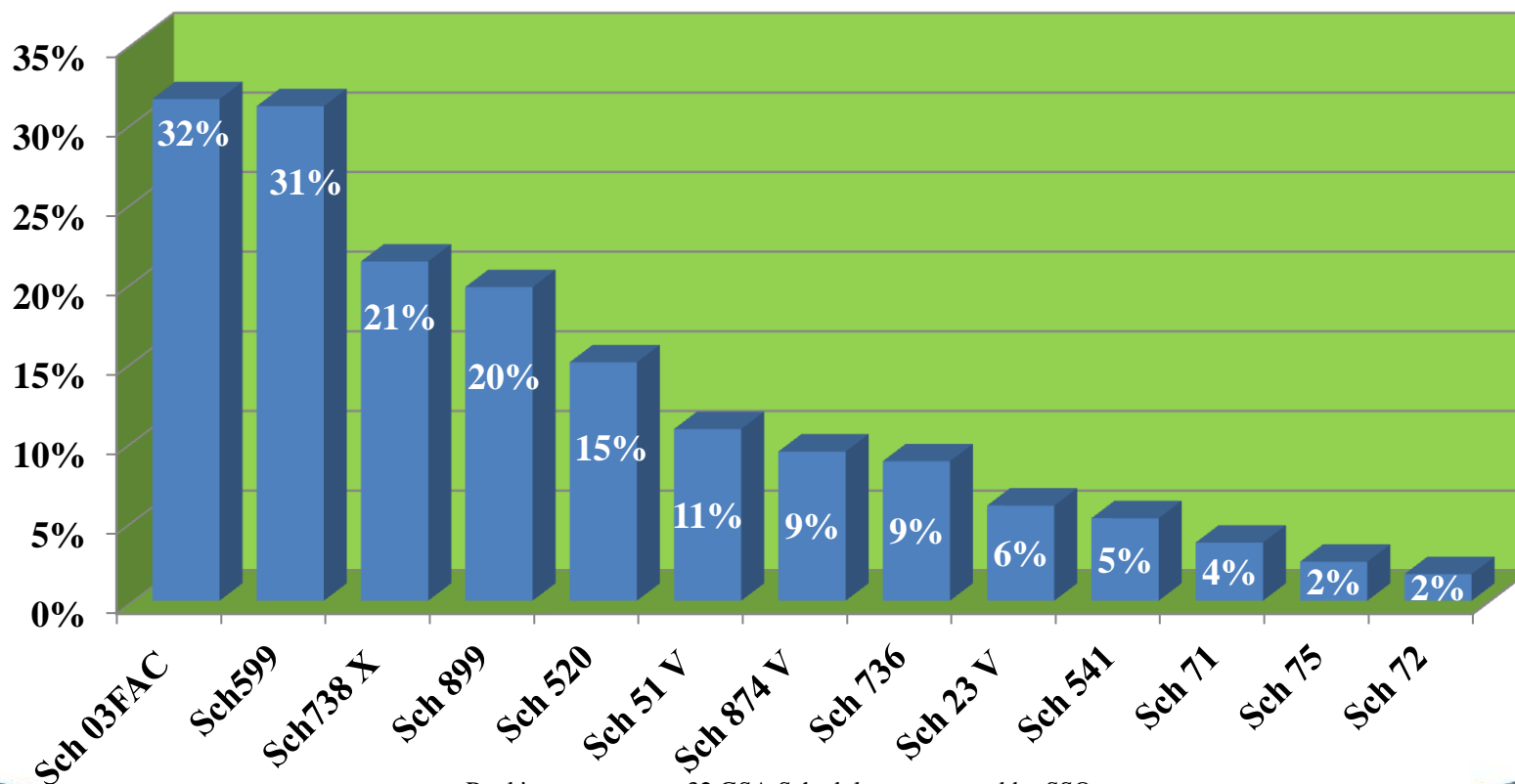


Rankings are among 32 GSA Schedules as reported by SSQ.

Source: WMG Analysis of SSQ data

Percentage Change

Of all 32 Schedules analyzed, 03 FAC experienced the single largest growth from GFY2010 to GFY2011. 13 Schedules experienced a positive percentage upswing, while the remaining 19 Schedules struggled.



Rankings are among 32 GSA Schedules as reported by SSQ.

Source: WMG Analysis of Schedule Sales Query

Schedule 03FAC

• Overall Growth:  32%



Growth
Amount:
\$107,722,329

Source: WMG Analysis of SSQ data

03FAC –SIN SALES Growth (1)

SIN	DESCRIPTION	NUMBER OF CONTRACTOR CURRENTLY ON SCHEDULE	GFY2010	GFY2011	AMOUNT CHANGE	% CHANGE
811 002	Complete Facilities Maintenance	156	\$122,619,963	\$159,411,609	\$36,791,646	30.0%
871 209	Innovations in Energy	96	\$16,961,409	\$55,272,242	\$38,310,833	225.9%
811 001	Elevator and Escalator Preventative Maintenance	18	\$18,039,320	\$19,137,328	\$1,098,008	6.1%
811 006	Facilities Maintenance and Management Consulting	74	\$532,713	\$14,811,358	\$14,278,645	2680.4%
871 206	Building Commissioning Services	124	\$6,989,590	\$14,600,676	\$7,611,086	108.9%
561 001	Fire Alarm System Preventative Maintenance and Repair Services	22	\$9,326,910	\$13,040,090	\$3,713,180	39.8%
371 002	Tree Planting/Trimming/Removal	46	\$6,355,454	\$11,579,038	\$5,223,584	82.2%
871 207	Energy Audit Services	141	\$8,462,325	\$11,518,600	\$3,056,275	36.1%
811 004	Electrical and all Utility Services limited to Facility Maintenance	104	\$7,768,896	\$10,733,697	\$2,964,801	38.2%
561 002	Water Based Fire Suppression System Preventative Maintenance and Repair Services	16	\$6,035,681	\$9,069,558	\$3,033,877	50.3%
871 208	Resource Efficiency Management (REM)	83	\$2,534,693	\$4,998,800	\$2,464,107	97.2%
871 204	Metering Services	76	\$1,751,952	\$3,401,744	\$1,649,792	94.2%
371 003	Pest Control	37	\$2,313,631	\$2,997,250	\$683,619	29.5%

Source: WMG Analysis of SSQ data

03FAC –SIN SALES Growth (2)

SIN	DESCRIPTION	NUMBER OF CONTRACTOR CURRENTLY ON SCHEDULE	GFY2010	GFY2011	AMOUNT CHANGE	% CHANGE
871 100	Ancillary Supplies and/or Services, Relating to Energy Management, Water Conservation and Support Services	44	\$0	\$2,966,334	\$2,966,334	•
801 001	Surface Preparation	11	\$200,637	\$2,840,359	\$2,639,722	1315.7%
801 002	Application of Chemical Compounds	13	\$181,446	\$2,592,329	\$2,410,883	1328.7%
003 100	Ancillary Supplies and/or Services, Relating to Fac. Maint /Mngt. Solutions For Real Property, Dockside Facilities Maint, Repair Services And Dry Docking Solutions and Industrial, Aerospace And Marine Coating Solutions	66	\$173,715	\$2,327,746	\$2,154,031	1240.0%
541 099	Introduction of New Services	24	\$1,500,619	\$2,030,885	\$530,266	35.3%
871 203	Training on Energy Management	89	\$976,116	\$1,010,583	\$34,467	3.5%
541 001	Independent Elevator Inspection Services	9	\$852,483	\$978,897	\$126,414	14.8%
371 004	Cemetery Maintenance	10	\$140,298	\$182,611	\$42,313	30.2%
871 211	Energy Consulting Services	50	\$0	\$111,300	\$111,300	•
871 299	Introduction of New Services	40	\$0	\$50,500	\$50,500	•
003 01	Smart Buildings Systems Integrator	11	\$24,020	\$34,666	\$10,646	44.3%
812 001	Dry Docking Services	9	\$0	\$0	\$0	•

Source: WMG Analysis of SSQ data

03FAC –SIN SALES Declines

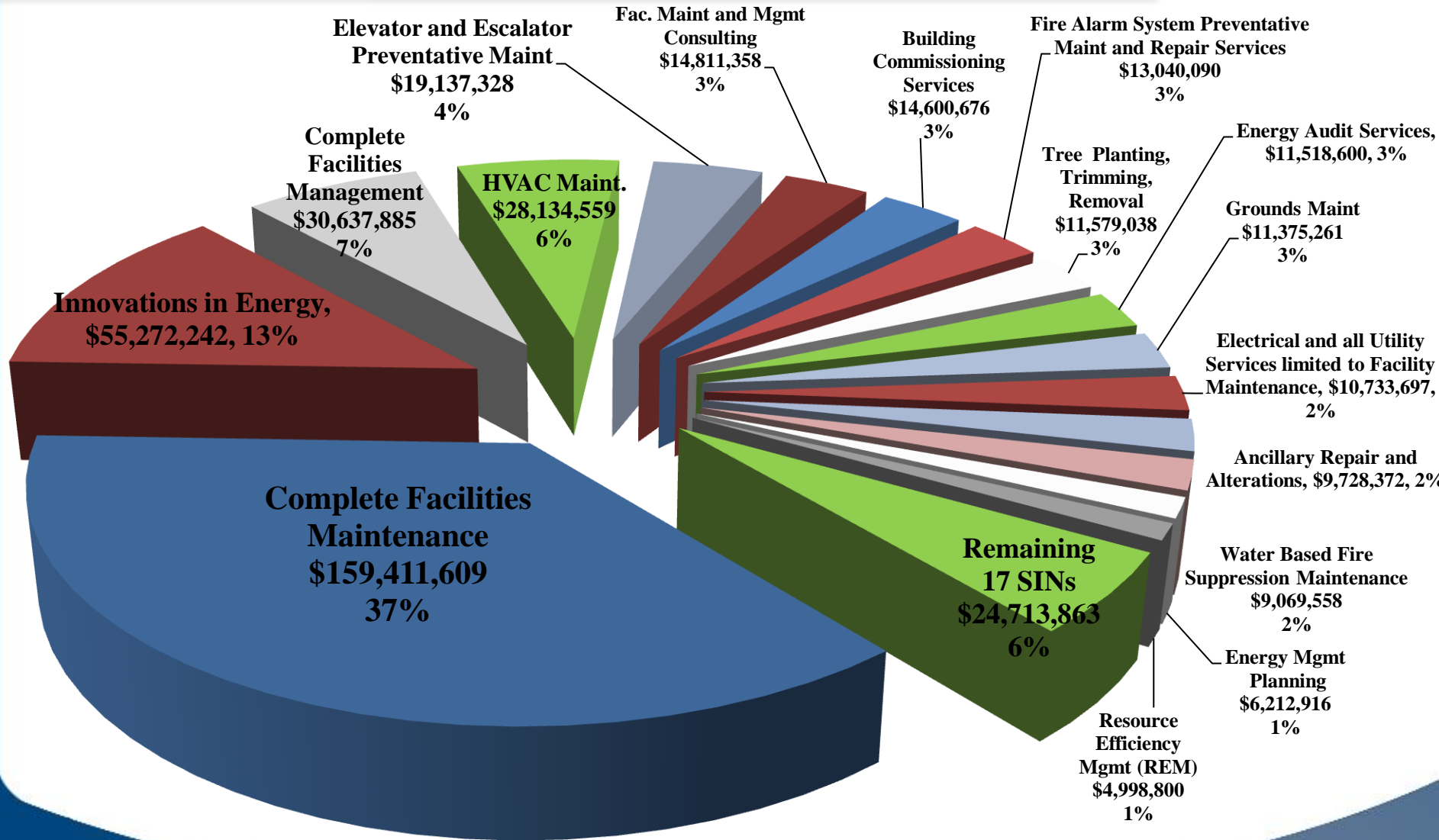
SIN	DESCRIPTION	NUMBER OF CONTRACTOR CURRENTLY ON SCHEDULE	GFY2010	GFY2011	AMOUNT CHANGE	% CHANGE
811 003	Complete Facilities Management	102	\$43,125,467	\$30,637,885	(\$12,487,582)	-29.0%
811 005	Refrigeration, Heating, Ventilation, Air Conditioner, Boiler and Chiller HVAC Maintenance	172	\$32,508,553	\$28,134,559	(\$4,373,994)	-13.5%
371 001	Grounds Maintenance	59	\$12,063,648	\$11,375,261	(\$688,387)	-5.7%
003 97	Ancillary Repair and Alterations	171	\$10,482,104	\$9,728,372	(\$753,732)	-7.2%
871 202	Energy Management Planning and Strategies	127	\$8,586,033	\$6,212,916	(\$2,373,117)	-27.6%
871 205	Energy Program Support Services	99	\$2,639,155	\$1,606,442	(\$1,032,713)	-39.1%
871 210	Water Conservation	85	\$2,979,556	\$1,436,538	(\$1,543,018)	-51.8%
812 002	Dockside Maintenance and Repair Services	20	\$661,467	\$145,679	(\$515,788)	-78.0%

Source: WMG Analysis of SSQ data

2012: 03FAC - Market Drivers



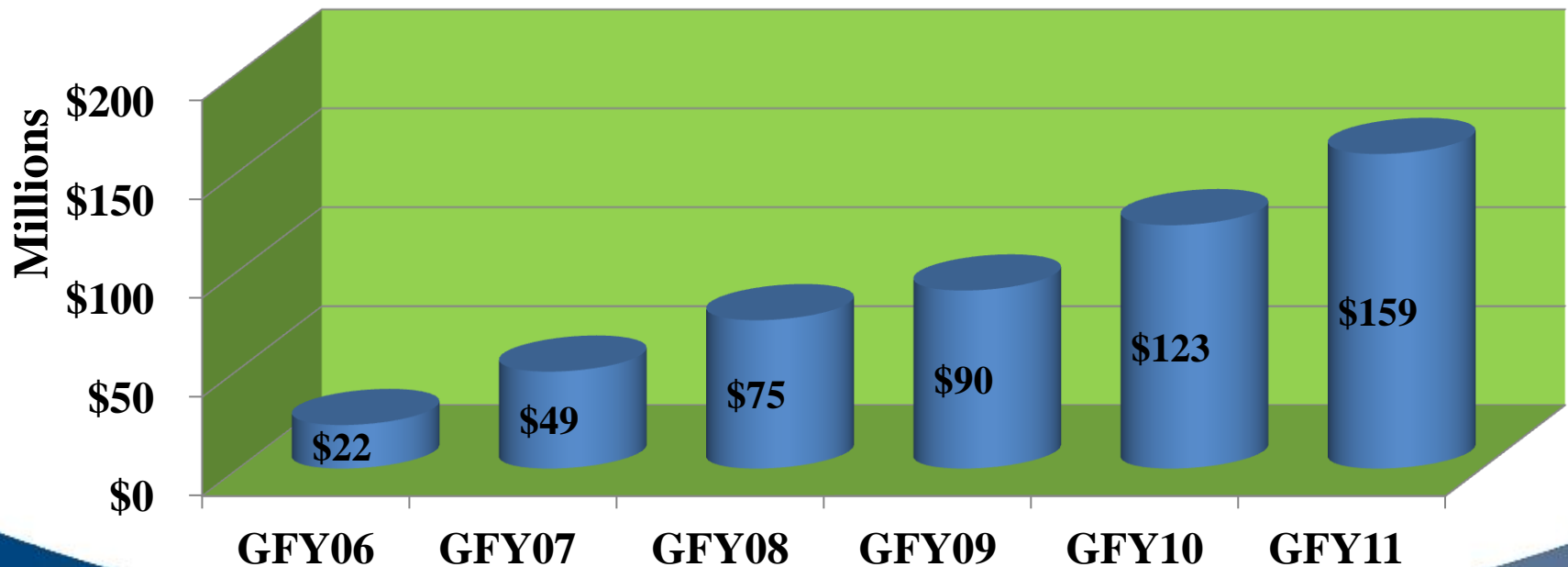
03FAC –SIN SALES Analysis (GFY2011)



Source: WMG Analysis of SSQ data

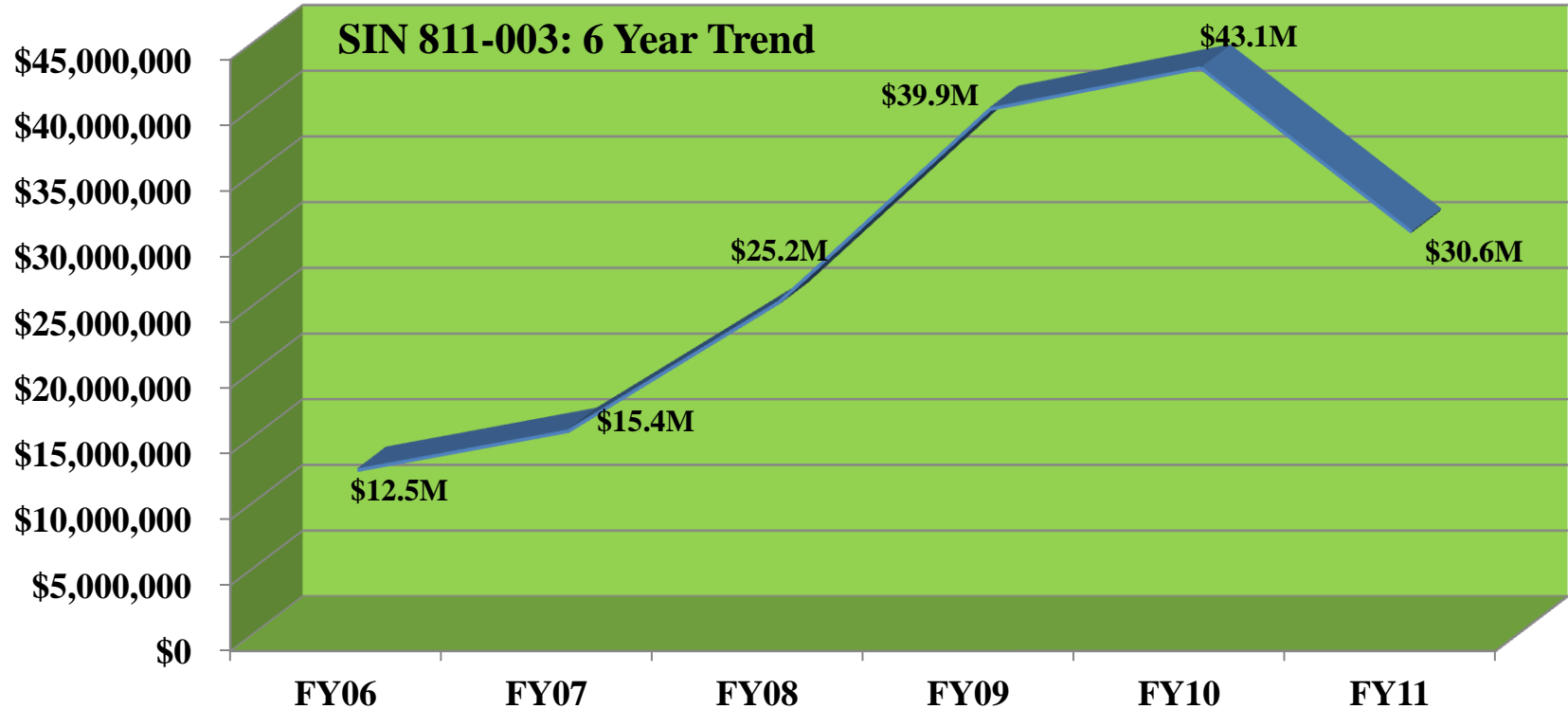
The Backbone of the Schedule

- Many SINs are emerging to make significant contributions to the overall success of the 03FAC schedule, but **SIN 811-002: Complete Facilities Maintenance** will continue to be the driving force.



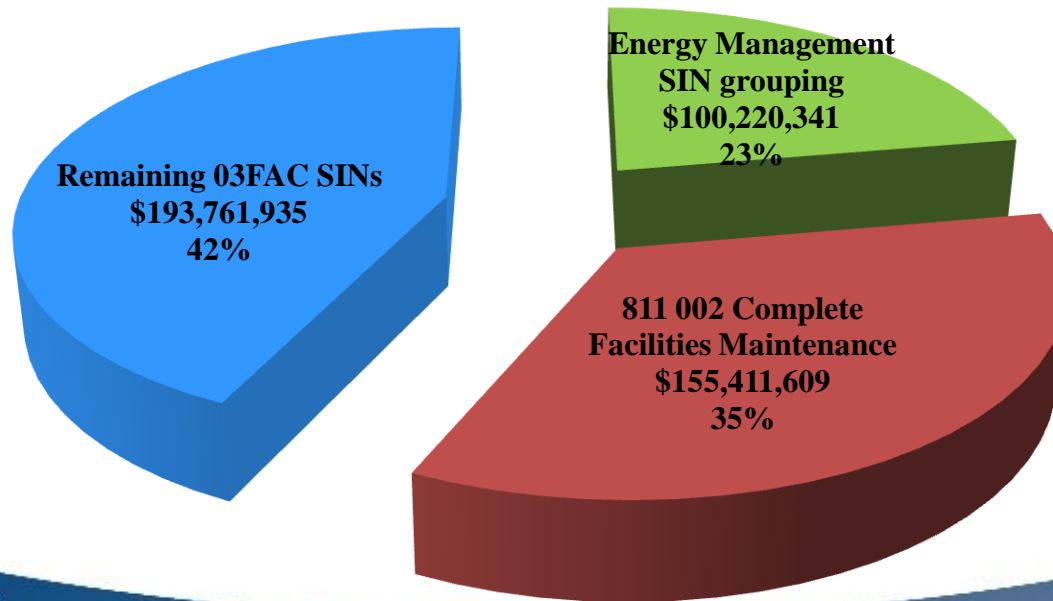
Complete Facilities Management

- For the first time in recent history SIN 811 003 has experienced a decrease.



Energy Management (871)

- Energy Management SINs are the fastest growing portion of 03FAC
 - Energy Management SINs as a group account for \$100M of the \$440M, or 23% of overall 03FAC market share in 2011. In 2010, the group total market share percentage was only 13%.
 - » The main proponent of this increase is due to **871-209: Innovations in Energy**, which increased by 226% or \$38M in GFY2011 (GFY10 = \$16M/GFY11 = 55M).



SIN 871-209: Innovations in Energy

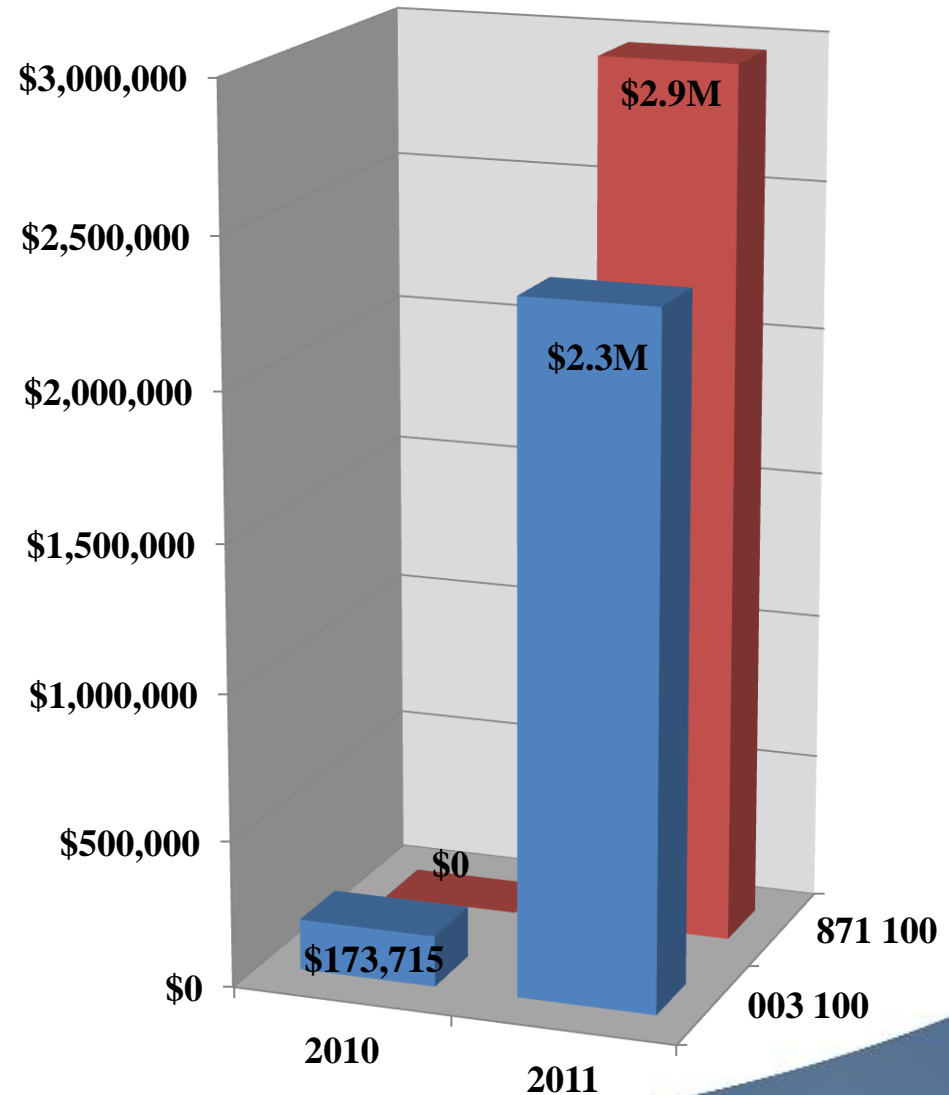
- Veterans Affairs had a large impact on the increase of 871-209 with their initiatives to build solar photovoltaic (PV) systems in support of ongoing energy efficiency and renewable energy.
 - July 2011: The Department of Veterans Affairs (VA) awarded \$56.7 million in contracts to build solar photovoltaic (PV) systems
 - » Project focus: 5 VA Hospitals (Oklahoma City; Temple, Texas; Amarillo, Texas; Loma Linda, Calif. and West Los Angeles)
 - October 2010: The Department of Veterans Affairs awarded nearly \$78 million in contracts to build solar photovoltaic (PV) systems.
 - » Project focus: 7 Hospitals, Clinics and Cemeteries (Phoenix (AZ) Albuquerque (NM), Tucson (AZ), Dublin (GA), San Juan (PR), Calverton (NY), Santa Nella (CA), and Riverside (CA))



Ancillary Supplies/Services SINs

- Refresh 14, Dated March 31, 2010 added two new Ancillary Supplies/Services SINs. These SINs had limited impact on the outcome of GFY2010 accounting for \$173,715. In 2011, the revenue reached a combined total of \$5.3M and is only expected to increase.

- SIN 871 100: Ancillary Supplies and/or Services, Relating to Energy Management, Water Conservation and Support Services
- SIN 003 100: Ancillary Supplies and/or Services, Relating to Fac. Maint /Mgmt. Solutions For Real Property, Dockside Facilities Maint, Repair Services And Dry Docking Solutions and Industrial, Aerospace And Marine Coating Solutions



Ancillary Repair and Alterations

- SIN 003 97 decreased slightly from GFY10 to GFY11 (**Down \$753,732**). It is anticipated that this SIN will increase as agencies emphasize maintenance of buildings.
- GSA Schedules offer an alternative to lengthy competitive procurements .
- Repair and alterations projects include painting, roof repair, side walk installation, garage door installation, etc.

2011: 03FAC

Market Conditions



Top 20 03FAC Contract Holders

GFY2011 RANK	GFY2010 RANK	CONTRACT	COMPANY	GFY2011 TOTAL
1	26	GS21F0099V	REC SOLAR, INC.	\$51,223,814
2	8	GS06F0025R	L B & B ASSOCIATES INC.	\$28,684,940
3	1	GS06F0035R	EMCOR GOVERNMENT SERVICES, INC.	\$20,533,890
4	4	GS06F0054N	SIMPLEXGRINNELL LP	\$17,086,626
5	6	GS06F0013R	BROOKS RANGE CONTRACT SERVICES,	\$12,025,954
6	28	GS06F0026R	LCOR ASSET MANAGEMENT LTD	\$10,871,020
7	360	GS21F0059V	PEMCO, LTD.	\$10,030,805
8	7	GS06F0028R	WW CONTRACTORS, INCORPORATED	\$8,807,406
9	9	GS06F0009S	ALL STAR FACILITY SERVICES, LLC	\$8,773,636
10	14	GS06F0060P	JOHNSON CONTROLS, INC.	\$7,985,250
11	13	GS10F0346L	TETRA TECH EM, INC.	\$7,902,893
12	12	GS06F0038S	UNICCO GOVERNMENT SERVICES, INC.	\$7,428,780
13	5	GS10F0359L	GEO-MARINE, INC.	\$7,308,266
14	24	GS21F0060U	DAVEY TREE EXPERT COMPANY, THE	\$7,149,774
15	3	GS06F0023R	EATON CORPORATION	\$7,080,923
16	2	GS06F0079R	TRANE U.S. INC.	\$6,840,950
17	16	GS06F0028P	NORTHROP GRUMMAN ENTERPRISE MANA	\$6,821,134
18	21	GS10F0156L	SAIN ENGINEERING ASSOCIATES, INC	\$6,708,617
19	11	GS06F0029P	AAA COMPLETE BUILDING SERVICES,	\$6,661,455
20	187	GS21F0126V	MILSPRAY LLC	\$6,339,899
TOP 20 SCHEDULE 03FAC CONTRACTORS' TOTAL				\$246,266,032
SCHEDULE 03FAC GRAND TOTAL				\$440,841,619

Source: WMG Analysis of SSQ data

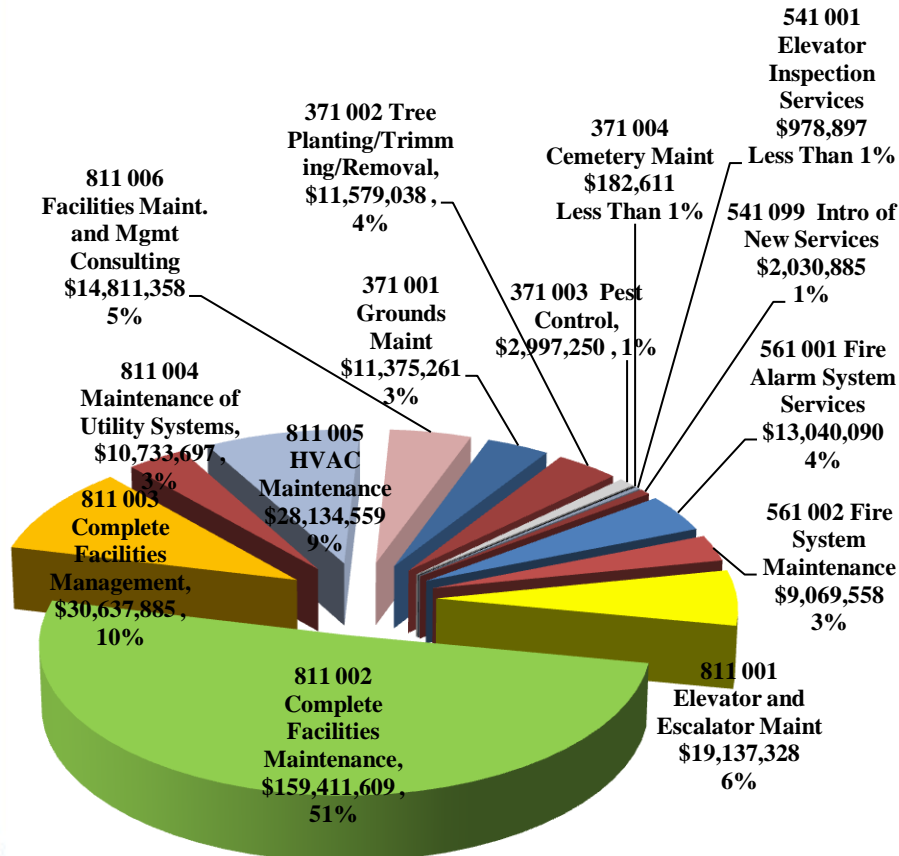
Schedule 03FAC offerings include:

- **Facilities Maintenance and Management**
 - (SINS:, 811-001, 811-002, 811-003, 811-004, 811-005, 811-006, 541-001, 561-001, 561-002, 371-001, 371-002, 371-003, 371-004,)
- **Energy Management Services**
 - (SINS: 871 202, 871 203, 871 204, 871 205, 871 206, 871 207, 871 208, 871 209, 871 210, 871 211, 871 299, 871 100)
- **Industrial, Aerospace, and Marine Painting**
 - (SINS: 801 001, 801 002)
- **Dockside Facilities Maintenance**
 - (SINS: 812 001, 812 002)
- **Fire Alarm and Fire Suppression Systems Maintenance**
 - (SINS: 561 001)
- **Ancillary**
 - (SINS: 003-100, 003-01, 003-97, 871-100)
- **Grounds (including Cemetery) Maintenance**
 - (SINS 371-001)
- **Pest Control**
 - (371 003)

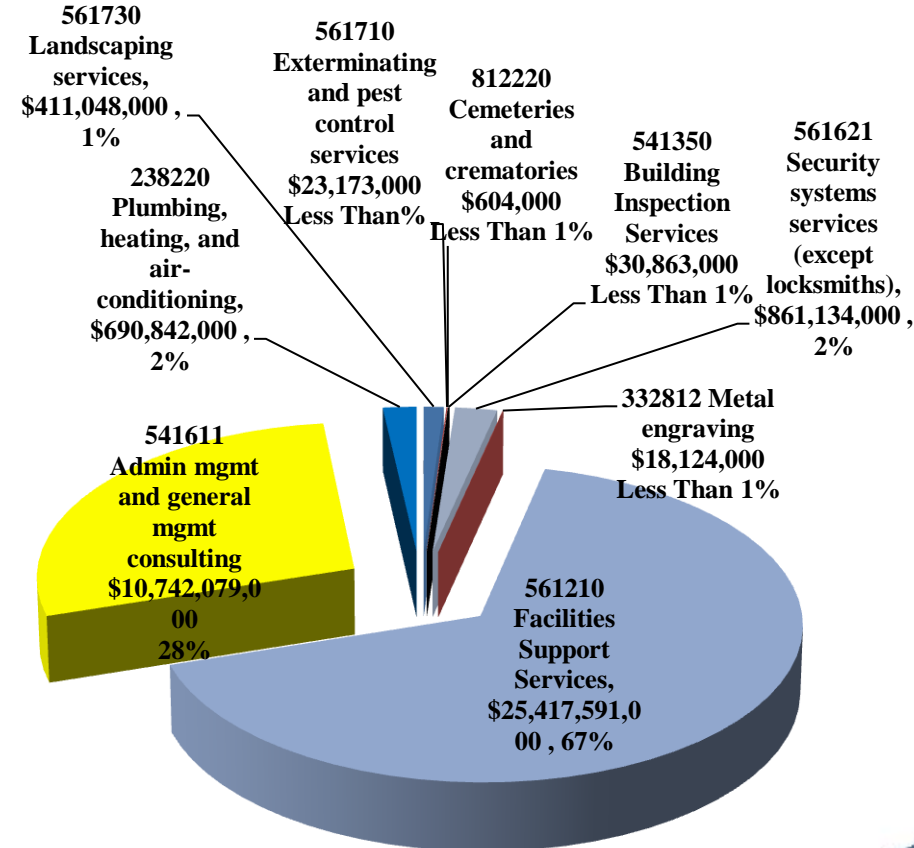
Source: www.gsa.gov and ELibrary

Facilities Maintenance and Management Solutions

SIN Totals Grand Total = \$314M

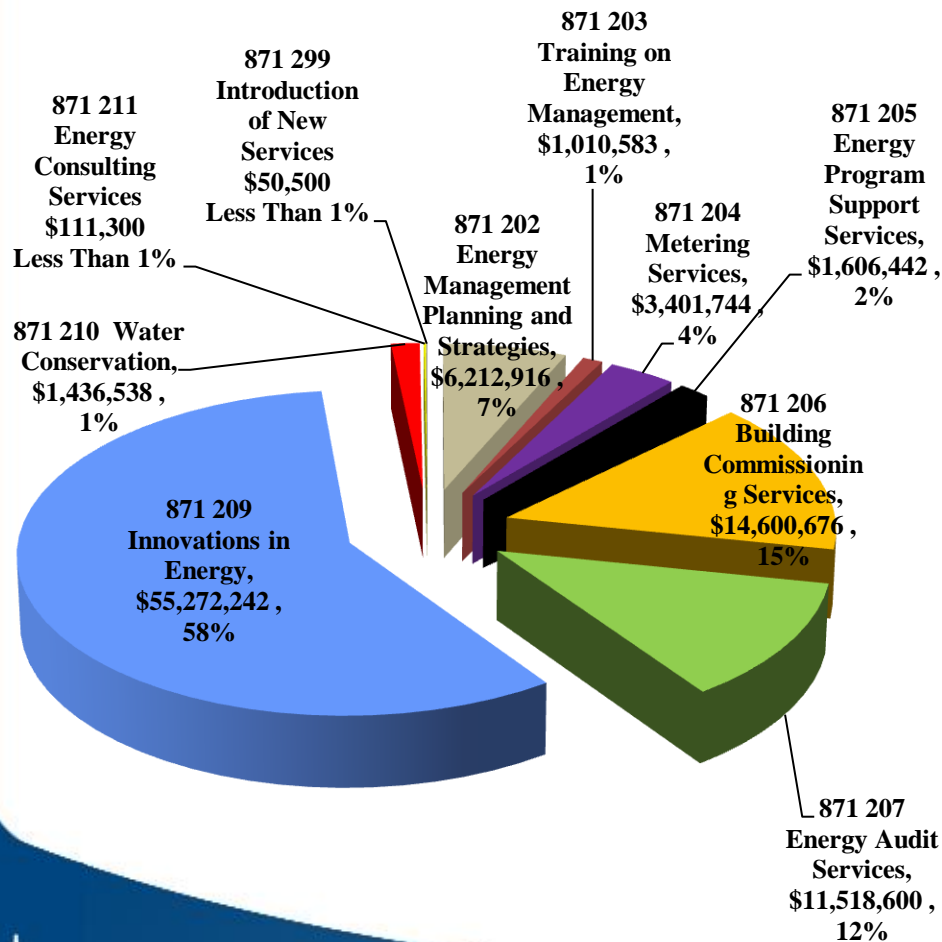


NAICS Total Grand Total = \$38B

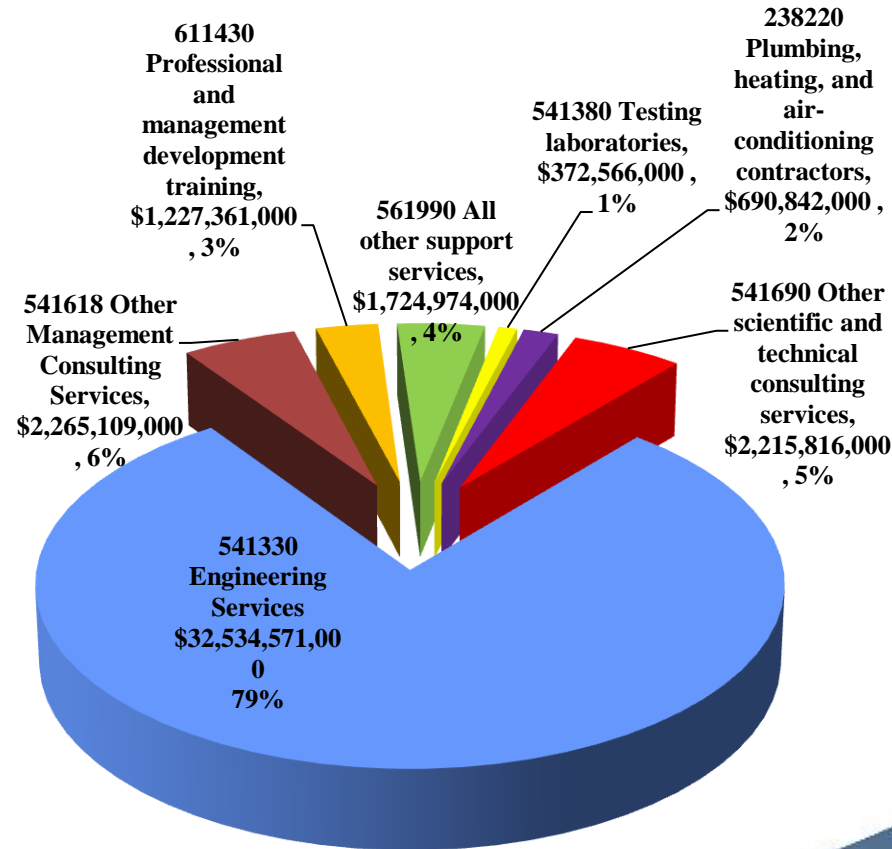


Energy Management

SIN Total
Grand Total = \$95.2M

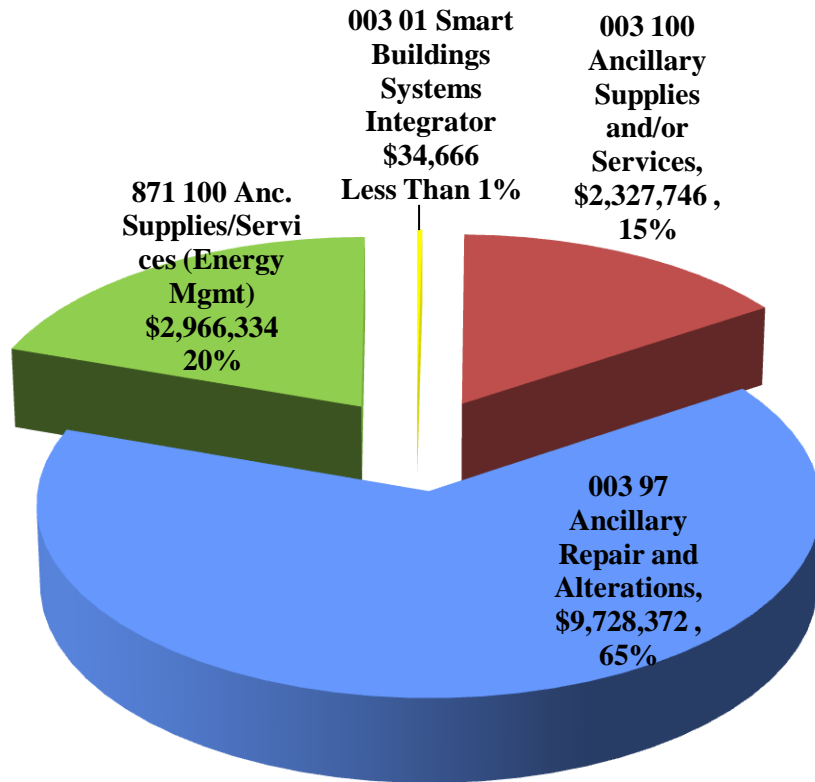


NAICS Total
Grand Total = \$41B

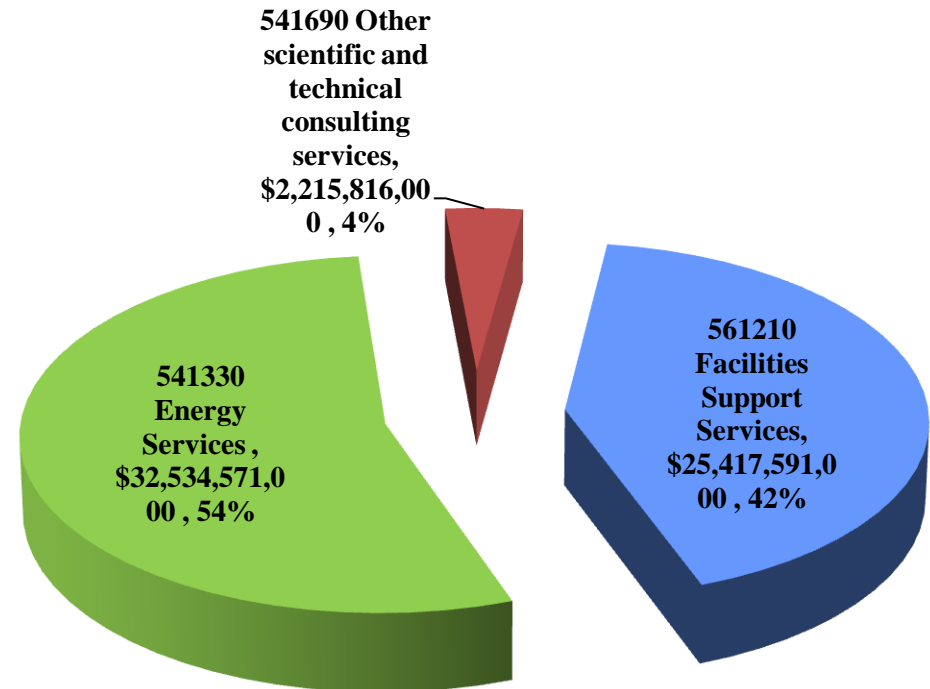


Ancillary Supplies/Services

SIN Total
Grand Total = \$15M

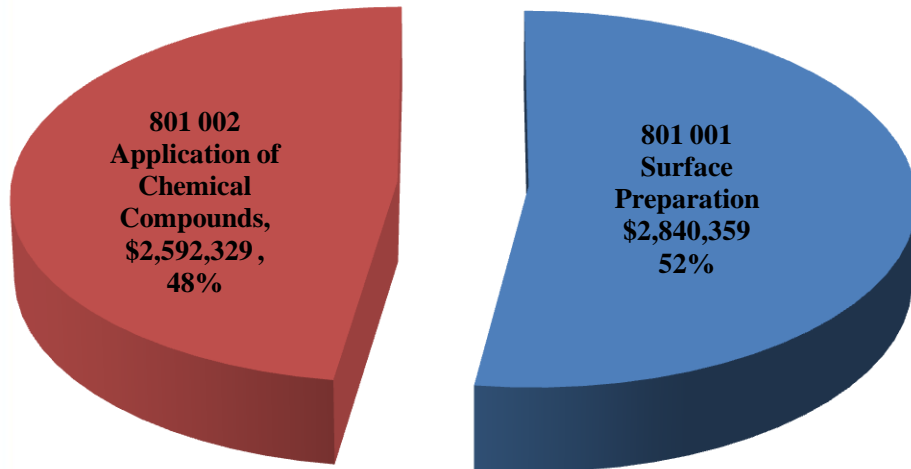


NAICS Total
Grand Total = \$60.2B

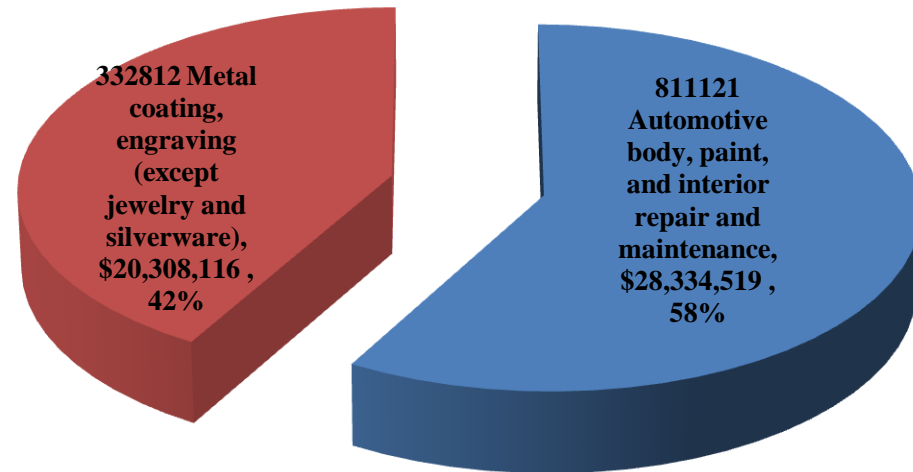


Industrial, Aerospace, and Marine Coating

SIN Totals
Grand Total = \$5.4M



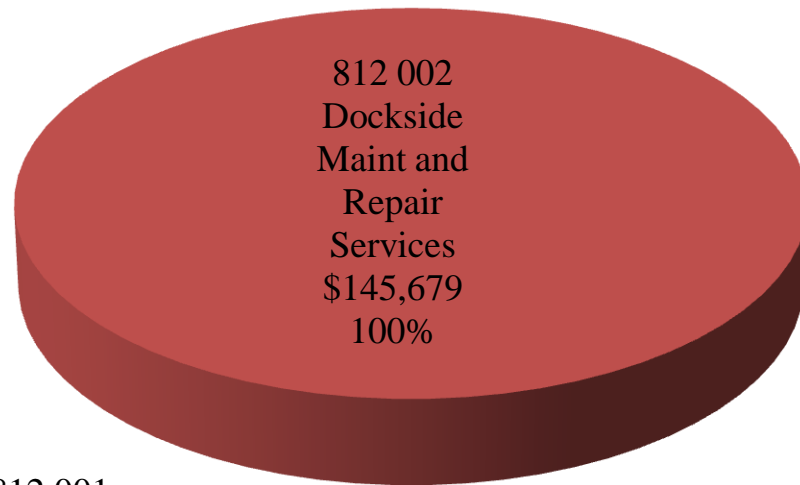
NAICS Total
Grand Total = \$48.6M



Dock Side Facilities Maintenance

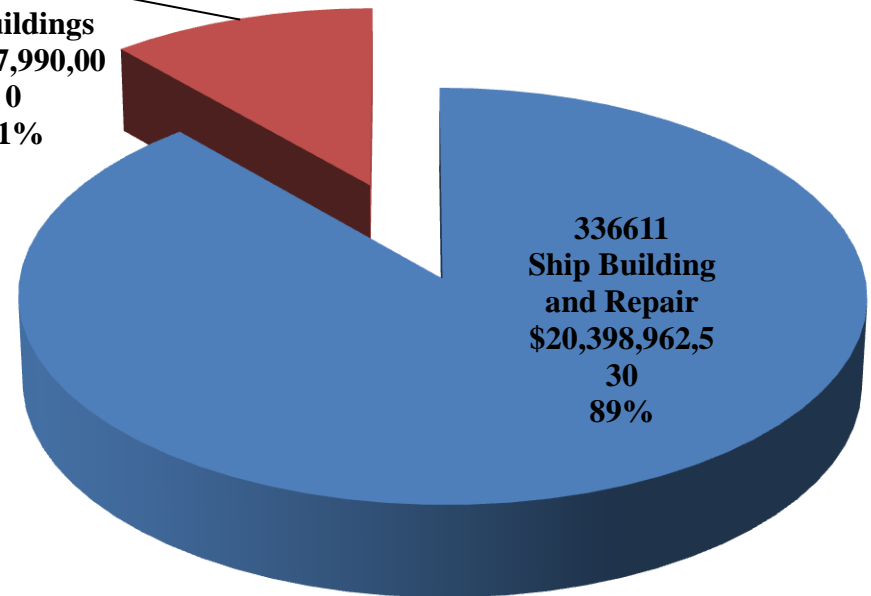
SIN Total
Grand Total = \$145,679

NAICS Totals
Grand Total = \$23B



812 001
Dry
Docking
Services, \$0
, 0%

531120
Lessors of
NonResidenti
al Buildings
\$2,617,990,00
0
11%



GSA's Sustainability impact on Schedule 03FAC



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GSA Long Term Goals...

- RFP's requiring proof of contractors' sustainability credentials
- By FY2015, 18% of owned or leased buildings greater than 5,000 gross square feet (GSF) will incorporate the sustainable practices in the Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings.
- By GFY2020, reduce Scope 1 & 2 Greenhouse Gas (GHG) emissions by 28.7% compared to FY 2008 baseline estimates of 2.4 million tons of carbon.
 - By FY 2020, reduce its Scope 1 & 2 GHG emissions by 684,157 tons of carbon
- By GFY 2020, reduce Scope 3 Greenhouse Gas (GHG) emissions by 43.9% from the FY 2008 baseline of estimates of 198,000 tons of carbon.
 - By FY 2020, reduce its Scope 3 GHG emissions by 87,000 tons of carbon

Source: www.gsa.gov – Sustainable Solutions

Pentagon Interim Renewable Goal

- The DoD plan is to acquire at least 25 percent of its electrical energy consumption from renewable sources by 2025.
- The defense secretary would need to inform Congress what the interim goal is within 180 days after the legislation is enacted. As of fiscal 2010, the military's 450 renewable energy projects allowed it to produce or procure 9.6 percent consumption.

Source: Conference Report : H.R. 1540, H. Rept. 112-329 —
National Defense Authorization Act for Fiscal Year 2012

GSA practices...

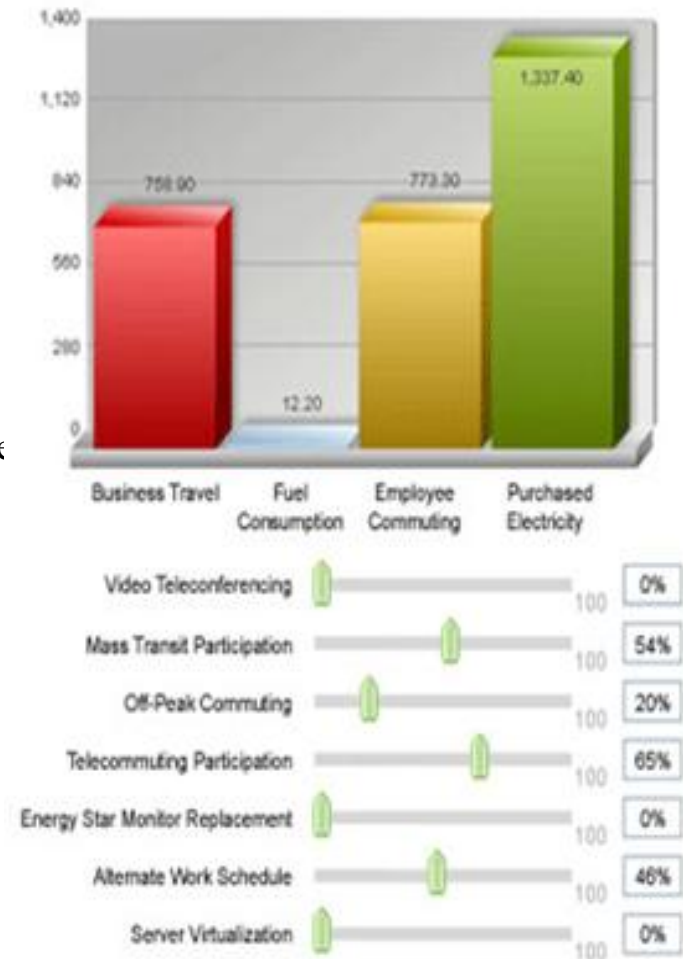
- Using Materials within 500 miles of building site
- Landscaping not irrigated
- Water savings from low flow fixtures, dual flush toilets, and waterless urinals.
- Wood from FSC sustainably managed forests
- Green power purchases
- Preservation of old-growth trees
- High efficiency chillers, boilers, and fume hoods
- Recycled building materials
- Low-VOC paints
- Solar Power
- High-efficiency lighting



Source: gsa.gov

GSA Carbon Footprint Tool

- How Are Federal Agencies Affected?
 - Every year agencies have until January 31st to submit an inventory of all greenhouse gas (GHG) emissions generated during the previous fiscal year. Deadlines for achieving the individual agency sustainability targets vary, ranging from 2015 to 2030.
- How Can the GSA Carbon Footprint Tool Assist Agencies?
 - Calculation of an agency's GHG baseline, broken down by the different scopes
 - Seamless import of agency data from existing federal data systems
 - Assistance with developing GHG reduction targets
 - **Compilation of a building-by-building GHG emissions inventory**
 - Preparation for reporting emissions to the Department of Energy's GHG Reporting Portal



Source: gsa.gov

Green Products Compilation Guidance Sheet

- A complete listing for the greening of specific products can be found at: <http://www.gsa.gov/portal/content/198257>
- The products listed are those for which the U.S. Environmental Protection Agency, U.S. Department of Energy, or U.S. Department of Agriculture have issued designations or otherwise provided guidance for environmental or energy attributes.
 - The attributes are organized in 18 spreadsheets by category, product, product type, and content levels

Source: www.gsa.gov – Sustainable Solutions

03FAC Guidance Examples

- SIN 371-100: Landscape Irrigation Services
 - Content Level: WaterSense
- SIN 00-301: Data Centers
 - Content Level: EnergyStar
- SIN 871-209: Innovations in Energy
 - Product: Biomass, Geothermal, Hydro-electric, landfill gas, municipal waste, solar, wind

Note: The examples listed above are the only three listed for 03FAC in the guidance sheet.

Source: www.gsa.gov – Sustainable Solutions

Looking Ahead



Memorandum for Senior Sustainability Officers

- ❖ The White House issued a memorandum for agency senior sustainability officers making it clear that the current administration continues to support OMB Memorandum M-98-13 to increase Federal use of utility energy service contracts (UESCs).

Source: DOE

A Message from our Chief Knowledge Officer



Ray Bjorklund
Vice President and
Chief Knowledge Officer

“Sustainment is one of the biggest challenges facing the federal government over the next decade. Deficit pressures have raised many lifecycle affordability questions. How can a facility operate sustainably with a smaller footprint? How can people and equipment resources be consolidated in fewer facilities? How can the total cost of ownership for the remaining facilities and capital assets be kept at a minimum? Companies who can answer these questions will have many business opportunities.”

Please visit www.govwin.com for additional information
on opportunities and market intelligence solutions

DoD Wide BPA

- The estimated sales for this DOD-Wide BPA stands at \$350M over a five-year period
- The BPA spans eight different schedules and of the \$350M, \$43 has been appropriated specifically to Schedule 03FAC, SIN 871-208: Resource Efficiency Management (REM).
 - The BPA focus is DOD-Wide Civil Engineering needs and for use to address new and functionally changing DOD requirements which may cover traditional technical support, A&AS requirements and installation support services. All the BPA's are available to USAF, Army, Navy installations, MAJCOMs, FOAs, and DOD Agencies with no ceiling restrictions.

CPES BPA

- As WMG presented last year this BPA had under \$9M worth of activity, that number has since grown to a total of \$36.51M as of current estimates provided by the CFMHS marketing representatives.
- WMG does not anticipate this BPA to continue growth as it was put in place for ARRA spending and those funds are drying up.

Strategic Sourcing

- Agencies are utilizing strategic sourcing as a method to lower costs and increase efficiencies.

Upcoming Opportunities

Early Stage

03 FAC Market Opportunities...

Early Stage

- **Resource Efficiency Management Program (REM)**

- The Department of the Army, U.S. Army Corps of Engineers (USACE), U.S. Army Engineering and Support Center Huntsville, may have a continuing requirement for Resource Efficiency Management (REM) services within the U.S. to improve facility energy efficiency, to promote the use of renewable energy, to reduce greenhouse gas emissions and to improve other resource efficiency requirements.
- Estimated Due Date: December 2013 Estimated Value: \$245M
- Solicitation Number: Unavailable POC: Earl Johnson (earl.w.johnson@usace.army.mil)

Early Stage

- **Resource Efficiency Management Consulting Services NAVFAC Hawaii**

- The Contractor shall perform energy and utility resource efficiency management (REM) services. Services and products shall have final approval by the NAVFAC HI Energy Manager or Energy & Utility Services Director. REM services shall include: Development of energy and water conservation projects including renewable energy projects, Project management of ongoing and new energy team projects, Performance of building energy behavior audits.
- Estimated Due Date: May 2013 Estimated Value: \$2.1M
- Solicitation Number: Unavailable POC: Gregory Genhart (gregory.gebhardt@navy.mil)

Source: GovWinIQ

03 FAC Market Opportunities...

Early Stage

- **Facilities Maintenance Services (FMS)**

- The NASA Ames Research Center may have a continuing requirement for Facilities Maintenance Services. Contractor responsibilities have included, but were not limited to: Planning and implementation of a comprehensive maintenance program, Electrical maintenance, Mechanical maintenance, Plumbing Services, Pipefitting Services, Utility services, Heating, ventilating, air conditioning, and refrigeration (HVAC/R) services, Environmental services, Engineering and building trade services.
- Estimated Due Date: December 2015 Estimated Value: \$60.5M
- Solicitation Number: Unavailable POC: Mark A. Sieband (marc.a.siedband@nasa.gov)

Early Stage

- **Maintenance and Operation of Sandia National Laboratory (SNL)**

- The Department of Energy, Sandia National Laboratories, may have an ongoing requirement for Maintenance and Operations Services.
- Estimated Due Date: June 2013 Estimated Value: \$34M
- Solicitation Number: 10337 POC: Stephen Sandager (ssandager@doeal.gov)

Source: GovWinIQ

Pre-RFP

03 FAC Market Opportunities...

Pre-RFP

- **AEC Travis Air Force Base Solar Enhanced Use Lease Project**

- The Air Force is considering the merits of leasing 3 parcels with a total of 220 acres of non-excess land for a 10-15 megawatt (MW) solar project on the installation. A detailed transmission study will be required to more accurately assess transmission impacts. Preliminary discussions with PG&E indicate interest in obtaining power from this project through the Solar Photovoltaic Program, however the developer would need to submit a response to their Request for Offers.
- Estimated Due Date: Unavailable Estimated Value: Unavailable
- Solicitation Number: AFRPA11R0026 POC: Michael Wilson (michael.wilson.9@us.af.mil)

Pre-RFP

- **Pentagon Reservation Solar Solutions**

- The Department of Defense, Washington Headquarters Services/Acquisition Directorate (WHS/AD), has a requirement for the installation of a medium to large scale solar photovoltaic (PV) system to be located at the Pentagon Reservation. Innovative Technologies: We have particular interest in innovative and novel technologies, including high efficiency PV panels, low or zero maintenance systems, and/or systems that deploy other innovative or novel technologies related to PV.
- Estimated Due Date: March 2012 Estimated Value: Unavailable
- Solicitation Number: WHS111620111600 POC: Kia Myles (kia.myles@whs.mil)

Source: GovWinIQ

03 FAC Market Opportunities...

Pre-RFP

- **International Maintenance Assistance Program (IMAP)**
- The Department of State, Bureau of Overseas Building Operations, Office of Construction, Facility and Security Management (Code OBO/CFSM), has a continuing requirement for maintenance and repair of Government owned/leased equipment/facilities at U.S. Department of State diplomatic missions overseas. The Contractor shall provide all labor, equipment, parts and supplies and management necessary to perform facility maintenance and repair at the Government owned and leased facilities of U.S. Department of State (DOS) diplomatic missions throughout the world
- Estimated Due Date: April 2012 Estimated Value: \$35M
- Solicitation Number: Unavailable POC: Tandra Jones (jonesta3@state.gov)

Pre-RFP

- **Operation and Maintenance to the Central Utility Plant at the NIH Research Triangle Park NC (CUP)**
- Provide operation and maintenance to the Central Utility Plant (CUP) at the NIH Research Triangle Park, North Carolina location The CUP provides all utility services for heating, cooling, electrical distribution, and hazardous waste incineration for NIH's National Institute of Environment Health Sciences (NIEHS) campus and the adjoining campus of the Environmental Protection Agency at Research Triangle Park, NC.
- Estimated Due Date: May 2012 Estimated Value: \$18.4M
- Solicitation Number: NIHOF2012474 POC: Jeffrey Battle (battlej2@mail.nih.gov)

Source: GovWinIQ

03 FAC Market Opportunities...

Pre-RFP

- **AEC Environmental Operation and Services to Address Environmental Needs**
- The Department of Air Force, Air Force Materiel Command (AFMC), Air Force Center for Engineering and the Environment (AFCEE), has a requirement for Environmental Operations and Services (EOS) to address environmental needs. The contractor shall incorporate pollution prevention and sustainability initiatives into all aspects of each TO, comply with the installation Environmental Management System (EMS), operate in a manner that promotes energy management to include energy efficiency, use of renewable energy, and water conservation
- Estimated Due Date: April 2012
- Solicitation Number: FA890311R8008
- Estimated Value: \$750M
- POC: Charles Wilcox (charles.wilcox@us.af.mil)

Pre-RFP

- **Facilities Management Services within the US Central Command Area of Responsibility (CENTCOM)**
- The United States Army Corps of Engineers (USACE), Middle East District (MED) has a requirement for Facilities Management Services. Area of Responsibility include: Operations and Maintenance Services, Maintenance & Repair Services, Unspecified Minor Military Construction incidental to the provision of other services.
- Estimated Due Date: April 2012
- Solicitation Number: W912ER11R0074
- Estimated Value: \$450M
- POC: Kathy Perry (kathy.j.perry@usace.army.mil)

Source: GovWinIQ

Questions?

Janet Clarke
Sr. Vice President
&
Carolyn Alston
General Counsel

